Cutright & Hardwick

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September 14, 2004

Honorable James H. Welsh Commissioner of Conservation Office of Conservation Post Office Box 94275 Baton Rouge, LA 70804-4275

Re: Hearing Application

Frio Zone, Reservoir A **GUM BRANCH FIELD**Allen Parish, Louisiana

Applicant: Smith Production Company of Mississippi

Dear Mr. Commissioner:

In accordance with the Rules of Procedure for Conducting Hearings Before the Commissioner of Conservation of the State of Louisiana, application is hereby made on behalf of **Smith Production Company of Mississippi** for the calling of a public hearing, after legal notice, to consider evidence relative to the issuance of an order pertaining to the following matters relating to the Frio Zone, Reservoir A, in the Gum Branch Field, Allen Parish, Louisiana.

- 1. To create a single drilling and production unit of approximately 160 acres for the Frio Zone, Reservoir A, designated as the F RA SUA, Gum Branch Field, Allen Parish, Louisiana, all as shown more particularly on the attached plat;
- 2. To establish rules and regulations governing the exploration for and production of gas and condensate from the said unit;
- 3. To force pool and integrate all separately owned tracts, mineral leases and other property interests within the unit so created, with each tract sharing in unit production on a surface acreage basis of participation;
- 4. To provide that any wells drilled to the Frio Zone, Reservoir A, should be located in accordance with the provisions of LAC 43:XIX.1901 et seq. (Statewide Order No. 29-E);
- 5. To provide that the Commissioner of Conservation should be authorized to reclassify the aforementioned zone by supplemental order without the necessity of a public hearing if the producing characteristics of the reservoir change and evidence to justify such reclassification is submitted to and accepted by the Commissioner of Conservation.
- 6. To consider such other matters relating to the subject reservoir as may be appropriate and justified by the evidence presented at the public hearing.

The Frio Zone, Reservoir A, in the Gum Branch Field, Allen Parish, Louisiana, is hereby defined as being that gas and condensate bearing zone encountered between the measured depths of 4,368 feet and 5,653 feet (electrical log measurements) in the Hogan Energy Corporation – Tower Land Co. No. 1 Well, located in Section 33, Township 3 South, Range 3 West, Allen Parish, Louisiana.

In accordance with the Rules of Procedure for Conducting Hearings Before the Commissioner of Conservation of the State of Louisiana, the Commissioner of Conservation, the District Manager of the Lafayette District of the Office of Conservation and all Interested Owners, Represented Parties and Interested Parties known to the applicant after a reasonable search were notified in writing in the pre-application notice dated September 2, 2004 that a conference to discuss the proposed application was tentatively scheduled for 10:00 a.m. on Thursday, September 23, 2004. It was stated at that time that this conference would be held only if a request to confer were received by the undersigned within ten (10) calendar days after the date of the pre-application notice. No requests to confer were received either in writing or by telephone and, in accordance with the Rules of Procedure, the tentatively scheduled conference **WILL NOT BE HELD**.

Attached hereto and made a part hereof is a plat outlining the F RA SUA, Gum Branch Field, Allen Parish, Louisiana, and a list of the names and addresses of the Interested Owners, Represented Parties and Interested Parties to whom this notice is being sent. It is hereby certified that a reasonable effort was made to ascertain the names and addresses of all Interested Owners, Represented Parties and Interested Parties. Pursuant to the Revised Rules of Procedure, the list of parties and unit plat (being the same plat attached to the pre-application notice dated September 2, 2004) are being furnished only to the Commissioner of Conservation and to the District Manager of the Lafayette District of the Office of Conservation; however, the plat and/or list of parties will be furnished to any party requesting copies.

Upon receipt of the legal notice in the captioned matter, the notice will be posted, published and mailed in accordance with Rule 7 of the Rules of Procedure.

Any pertinent data relating to the proposed unit can be obtained, AT THE COST OF THE REQUESTING PARTY, from Mr. Travis Helms of Cutright & Hardwick, 1101 S. Hugh Wallis Road, Suite 101, Lafayette, Louisiana 70508, (337) 232-7756.

Finally, there is enclosed herewith our check on behalf of the applicant in the amount of \$755.00, made payable to the Office of Conservation, representing the required hearing application fee.

Very truly yours,

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Travis A. Helms

TAH

Attachments

cc: Mr. Richard Hudson

District Manager

Office of Conservation

All Interested Owners, Represented Parties and Interested Parties

